



State of Washington

AFFORDABLE HOUSING ADVISORY BOARD

1011 Plum Street SE - PO Box 42525 - Olympia, Washington 98504-2525 - (360) 725-4000

Faith Pettis
Board Chair

Peter Orser
Residential Construction Industry

Shannon Affholter
Residential Construction Industry

Bryan Friend
Mortgage Lending Industry

Michael O'Rourke
Mortgage Lending Industry

Vijya Patel
Real Estate Sales Profession

Connie Devaney
Apartment Management & Operation Industry

Joel Ing
For-Profit Housing Development

Kevin Grossman
For-Profit Rental Housing

Tory Laughlin Taylor
Non-Profit Housing Development

Paula Lonergan
Homeless Shelter Operations

Shaw Seaman
Special Needs Populations

Joe Ingram
Low Income Housing

Mike Adolfae
At-Large/General Public

Christina Pegg
Public Housing Authorities

Obie O'Brien
Counties, Eastern WA

Andree Harland
Counties, Western WA

Teresa Overhauser
Cities, Eastern WA

Lauren Walker
Cities, Western WA

David Stillman
Ex-Officio, Dept. of Social & Health Services

Kim Herman
Ex-Officio, Housing Finance Commission

Dan McConnon
Ex-Officio, Dept. of Commerce

October 8, 2015

Ms. Victoria Wachino, Director
Center for Medicaid and CHIP Services
Centers for Medicare and Medicaid Services
200 Independence Avenue Southwest
Washington, DC 20201

Dear Director Wachino:

On behalf of the Affordable Housing Advisory Board ("AHAB"), I am writing to express our strong support for the Supportive Housing Medicaid benefit proposed in Washington State's 1115 Medicaid Transformation Waiver application to the federal Centers for Medicare and Medicaid Services.

AHAB is a legislatively-created, 22-member board appointed by the Washington State Governor, representing a variety of housing interests around the state. AHAB is charged with advising the Washington State Department of Commerce on housing and housing-related policy issues.

Supportive housing is a nationally recognized evidence-based best practice for serving people who are chronically homeless and have serious behavioral and/or physical health disabilities. People who are chronically homeless experience significant health disparities, including high rates of chronic and acute behavioral and physical illnesses, risk of injury, trauma, and exposure from living outside, and barriers to accessing uninterrupted, appropriate levels of health care. As a result, this population also has high costs to public systems, including Medicaid, due to frequent emergency department utilization, hospitalizations, and high utilization of other public crisis services.

A strong body of local and national evidence has demonstrated that supportive housing is effective in helping people who are chronically homeless access and retain permanent housing and regular, appropriate levels of health services. This intervention leads to housing stability, positive health outcomes, and improved utilization of health and social services. These proven outcomes result in significant savings to public systems that often exceed the cost of providing supportive housing. An evaluation of DESC's 1811 Eastlake Project, a supportive housing program in Washington State, found that over \$4 million in savings to public systems was achieved within the first year of the program. Of this total, 56% of the savings was in Medicaid cost reductions.

One of the barriers to bringing supportive housing fully to scale in Washington is a shortage of funding for the housing services that are critical to the model's success. If

approved, the Supportive Housing Medicaid benefit will bring additional resources for supportive housing services to Washington and will help make the expansion of this intervention financially feasible.

This benefit will help bring funding stability to Washington state's homeless service providers. As we struggle to find housing solutions to combat the statewide homeless crisis, we need every creative tool we can find to effect change. We are also excited to find and build new partnerships because we are convinced that lasting solutions can only be achieved if we tackle the problem collectively and from every angle.

Thank you for your consideration of Washington's 1115 Medicaid Transformation Waiver application. We look forward to continuing to work with the Washington State Health Care Authority to implement the 1115 waiver and a supportive housing Medicaid benefit. If approved, this proposal will result in significant savings to Medicaid while ensuring people with serious disabilities are able to live with security, autonomy and dignity in their own communities.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Faith Li Pettis', with a stylized, looped design.

Faith Li Pettis
Chair, Affordable Housing Advisory Board